

Corporate Governance Statement

Amaero International Ltd

ACN 633 541 634

(the "Company")

Corporate Governance Statement

This Corporate Governance Statement sets out the Company's current compliance with the third edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Principles and Recommendations**). The Principles and Recommendations are not mandatory. However, the Company will be required to provide a statement in its future annual reports disclosing the extent to which the Company has followed the Principles and Recommendations.

The Board of the Company currently has in place corporate governance policies and charters which have been posted in a dedicated corporate governance information section on the Company's website at <http://www.amaero.com.au/investor-center/>

PRINCIPLES AND RECOMMENDATIONS		COMPLY (Yes/No)	EXPLANATION
1.	Lay solid foundations for management and oversight		
1.1	Companies should disclose: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Yes	Please refer to sections 5.1 and 5.6 of the Prospectus, and the Board Charter (available via the Company's website, http://www.amaero.com.au/investor-center/).
1.2	Companies should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	Yes	Please refer to section 5.6 of the Prospectus, and the Board Charter and the Remuneration and Nomination Committee Charter (available via the Company's website, http://www.amaero.com.au/investor-center/).
1.3	Companies should have a written agreement with each director and	Yes	The Company requires each Director and senior executive to execute

	senior executive setting out the terms of their appointment.		a written agreement setting out the terms of their appointment. Please refer to section 5.4 of the Prospectus and the Remuneration and Nomination Committee Charter (available via the Company's website, http://www.amaero.com.au/investor-center/).
1.4	The company secretary should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	Please refer to section 5.6 of the Prospectus and the Board Charter (available via the Company's website, http://www.amaero.com.au/investor-center/).
1.5	Companies should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary of it; and (c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either: (1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	Partially	The Diversity Policy requires the Board to adopt measurable objectives to assist the Company in achieving gender diversity and review such objectives annually. The Board intends to disclose these matters in its future annual reports as is required under ASX Recommendations 1.5. Please refer to section 5.6 of the Prospectus and the Company's Diversity Policy (available via the Company's website, http://www.amaero.com.au/investor-center/).
1.6	Companies should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in	Partially	As the Company is still in the early stages of development it has not yet undertaken a formal review of the Board's performance. However, the Board will develop a process for evaluating the performance of the Board according to the Board Charter. As required under ASX Recommendation 1.6, the Board intends to disclose these matters in its future annual reports.

	accordance with that process.		Please refer to section 5.6 of the Prospectus and the Board Charter (available via the Company's website, http://www.amaero.com.au/investor-center/).
2.	Structure the board to add value		
2.1	The board should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	No	The Board is of the belief that it is not currently of a relevant size to justify the formation of a Nomination Committee. Furthermore, the Board does not consider that the Company is of a sufficient size to justify the appointment of additional directors for the sole purpose of satisfying this recommendation as its resources would be better utilised in other areas. The Board has adopted a Remuneration and Nomination Committee Charter for the purpose of addressing board succession issues and to ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively. However, until such time as a separate committee is constituted, the Board will remain responsible for such matters and will continue to monitor the composition of the Board and the roles and responsibilities of its members. Please refer to section 5.6 of the Prospectus and the Remuneration and Nomination Committee Charter (available via the Company's website, http://www.amaero.com.au/investor-center/).
2.2	Companies should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Yes	Please refer to the Board Skills Matrix set out in Annexure A to this Corporate Governance Statement.
2.3	Companies should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and	Yes	The Board consists of 3 Directors, with Kathryn Presser considered to be an independent, non-executive director. Please refer to section 5.1 of the Prospectus .

	an explanation of why the board is of that opinion; and (c) the length of service of each director.		
2.4	A majority of the board should be independent directors.	No	As at the date of listing, only one of the of the three directors (Kathryn Presser) is considered to be independent. The Board does not consider that the Company is of a sufficient size to justify the appointment of additional directors for the sole purpose of satisfying this recommendation.
2.5	The chair of the board should be an independent director and, in particular, should not be the same person as the CEO.	Partially	Mr David Hannah, the Company's chair, is a non-executive Director, however, he is not considered to be an independent Director. The chair is not the CEO of the Company.
2.6	Companies should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	Please refer to the Remuneration and Nomination Charter and the Board Charter (available via the Company's website, http://www.amaero.com.au/investor-center/).
3	Act ethically and responsibly		
3.1	Companies should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	Yes	Please refer to section 5.6 of the Prospectus and the Company's Code of Conduct Policy (available via the Company's website, http://www.amaero.com.au/investor-center/).
4	Safeguard integrity in corporate reporting		
4.1	The board should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose:	Yes	Please refer to section 5.6 of the Prospectus and the Audit and Risk Management Committee Charter and Risk Management Policy (available on the Company's website at http://www.amaero.com.au/investor-center/).

	(3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.		
4.2	The board should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes	Please refer to section 5.6 of the Prospectus and the Risk Management Policy (available via the Company's website, http://www.amaero.com.au/investor-center/).
4.3	Companies should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Yes	Please refer to section 5.6 of the Prospectus and the Shareholder Communications Policy (available via the Company's website, http://www.amaero.com.au/investor-center/).
5	Make timely and balanced disclosure		
5.1	Companies should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	Yes	Please refer to section 5.6 of the Prospectus and the Continuous Disclosure Policy (available via the Company's website, http://www.amaero.com.au/investor-center/).
6	Respect the rights of security holders		
6.1	Companies should provide information about itself and its governance to investors via its website.	Yes	Information regarding the Company, its business and its governance is available on the Company's website

			(http://www.amaero.com.au/investor-center/).
6.2	Companies should design and implement an investor relations program to facilitate effective two-way communication with investors.	Yes	Please see section 5.6 of the Prospectus and the Shareholder Communications Policy (available via the Company's website, http://www.amaero.com.au/investor-center/).
6.3	Companies should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Yes	Please see section 5.6 of the Prospectus and the Shareholder Communications Policy (available via the Company's website, http://www.amaero.com.au/investor-center/).
6.4	Companies should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	Please see section 5.6 of the Prospectus and the Shareholder Communications Policy (available via the Company's website, http://www.amaero.com.au/investor-center/).
7	Recognise and manage risk		
7.1	Companies should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	Yes	Please refer to section 5.6 of the Prospectus and the Audit and Risk Management Committee Charter and Risk Management Policy (available on the Company's website at http://www.amaero.com.au/investor-center/).
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and (b) disclose, in relation to each reporting period, whether such a	Yes	Please refer to section 5.6 of the Prospectus, the Audit and Risk Management Committee Charter and the Risk Management Policy (available via the Company's website, http://www.amaero.com.au/investor-center/).

	review has taken place.		
7.3	Companies should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes	Yes	The Company does not have an internal audit function. The Board considers the financial control function in conjunction with its Risk Management Policy is sufficient for a company of its size and complexity. Please refer to section 5.6 of the Prospectus, the Audit and Risk Management Committee Charter and the Risk Management Policy (available via the Company's website, http://www.amaero.com.au/investor-center/).
7.4	Companies should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Yes	Please refer to section 4 of the Prospectus for a summary of the key risks applicable to the Company's business. If the Company has any additional material exposure to economic, environmental and social sustainability risks, it will disclose such exposure and how it manages or intends to manage those risks, in the subsequent annual report. Please refer to the Risk Management Policy (available via the Company's website, http://www.amaero.com.au/investor-center/).
8	Remunerate fairly and responsibly		
8.1	Companies should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or	No	The Board is of the belief that it is not currently of a relevant size to justify the formation of a Remuneration Committee. Furthermore, the Board does not consider that the Company is of a sufficient size to justify the appointment of additional directors for the sole purpose of satisfying these recommendations as its resources would be better utilised in other areas. The Board has adopted a Remuneration and Nomination Committee Charter for the purpose of implementing processes for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive. However, until such time as separate committees are constituted, the Board will remain responsible for such matters and will continue to

	(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.		monitor remuneration procedures. Please refer to section 5.6 of the Prospectus and the Remuneration and Nomination Committee Charter (available via the Company's website, http://www.amaero.com.au/investor-center/).
8.2	Companies should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes	Please see section 5.6 of the Prospectus and the Company's Remuneration Policy (available via the Company's website, http://www.amaero.com.au/investor-center/).
8.3	A company which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	Yes	Disclosure of the Company's Employee Incentive Plan is provided in section 10.9 of the Prospectus. Please also see the Company's Securities Trading Policy (available via the Company's website, http://www.amaero.com.au/investor-center/).

ANNEXURE A:

BOARD SKILLS MATRIX

This Board skills matrix details the collective skills, knowledge, experience, personal attributes and other criteria the Board of Directors of Amaero International Ltd currently believe are required for the good governance of the Company. The Board will assess all future candidates for Board positions, and the performance of its current members, against these criteria in accordance with the ASX Corporate Governance Principles and Recommendations.

Skill, Experience or Attribute
<i>Operational, Technical and Industry Skills</i>
1. <i>Knowledge of advanced manufacturing sector</i>
2. <i>Operational / manufacturing experience</i>
3. <i>IP / technology research, development and commercialisation</i>
4. <i>Experience with global commercial partners, suppliers, customers</i>
5. <i>Human Resources, Recruitment & Culture</i>
6. <i>Creating, managing and leading high-growth global teams</i>
7. <i>Capital Raising & investor relations</i>
<i>Compliance and Governance Skills</i>
1. <i>Accounting and Finance</i>
2. <i>Legal and Risk</i>
3. <i>Leadership</i>
4. <i>Compliance and Corporate Governance</i>
5. <i>Director Experience</i>
<i>Personal Attributes</i>

1.	<i>Innovative and Strategic</i>
2.	<i>Common Sense and Sound Judgment</i>
3.	<i>Professionalism, Ethics and Integrity</i>
4.	<i>Team player/collaborative</i>
5.	<i>Commitment to excellence</i>
6.	<i>Honest and constructively critical</i>
<i>Diversity</i>	
1.	<i>Gender Diversity</i>
2.	<i>Age Diversity</i>